GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2217
ANSWERED ON:28.07.2017
GDP Share
Jena Shri Rabindra Kumar

Will the Minister of FINANCE be pleased to state:

(a)the current share of Gross Domestic Product (GDP) of the organised and unorganised sector and the comparative change observed during the last three years;

(b)the share of the corporate and non corporate sectors in Net Domestic Product (NDP) and Gross Domestic Product during the last three years;

(c)the Gross Domestic Savings and Gross Domestic Capital Formation as percentage of GDP of Government, Private Corporate and Household Sector during the said period;

(d)whether the Government is aware that partnership and proprietorship firms form a bulk of the production and savings in our country whereas the focus of policy is skewed toward the corporate sector, if so, the details thereof;

(e)the total Gross Domestic Savings and sector-wise split during the last three years; and

(f)the percentage of Indians who invest in stock market and the change in the pattern of investments observed during the last ten years?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ARJUN RAM MEGHWAL)

(a) As per the latest data available from Central Statistics Office (CSO), the share of Organised sector (Corporations and General Government) and Unorganised sector (Household including Non-Profit Institutions serving Households) in Gross Value Added at basic prices (GVA, which is Gross Domestic Product minus Net Indirect Taxes on products) is as follows:

Percentage Share in total GVA at current prices

Sector 2013-14 2014-15 2015-16

Organised Sector 54.2 55.3 56.4

Unorganised Sector 45.8 44.7 43.6

(b) As per the latest data available from the CSO, the share of the corporate and non corporate (comprising household and general government) sectors in GVA and Net Value Added (NVA) is given in the following tables.

Percentage Share in GVA at current prices

Sector 2013-14 2014-15 2015-16

Corporate 44.7 45.7 46.8
HH 45.8 44.7 43.6
GG 9.4 9.5 9.6

Note: GG: General Government; HH: Households including Non-Profit Institutions serving Households; Corporate: Non-Financial Corporations and Financial Corporations. Figures may not add up to 100 due to rounding off.

Percentage share in NVA at current prices

Sector 2013-14 2014-15 2015-16

Corporate 43.5 44.5 45.6
HH 47.1 45.9 44.7
GG 9.4 9.6 9.7

(c) Gross Domestic Savings and Gross Domestic Capital Formation of Public, Private Corporate and Household Sectors as percentage of Gross Domestic Product (GDP) is given in the following tables:

Savings as a percentage of GDP at current prices			
	2013-14	2014-15	2015-16
Gross Savings	32.1	33.1	32.3
Public	1.0	0.9	1.3
Private corporates	10.7	11.7	11.9
Household	20.3	20.5	19.2

Note: Public sector includes general government, public financial and non-financial corporations
Source: Calculated from National Accounts Statistics 2017, Ministry of Statistics and Programme Implementation

Gross Capital Formation of GDP at current prices			
	2013-14	2014-15	2015-16
Gross Capital Formation	33.8	34.4	33.3
Public	7.1	6.8	7.5
Private corporates	12.9	13.3	13.0
Household	12.6	12.8	10.9

Note: Public sector includes general government, public financial and non-financial corporations
Source: Calculated from National Accounts Statistics 2017, Ministry of Statistics and Programme Implementation

(d) Proprietary and partnership firms are duly accounted for in computations of national accounts statistics. However, the estimates of production and savings in respect of Proprietary and Partnership firms are not available separately. Government gives due priority to promote MSME (Micro, Small and medium enterprises) and has taken various measures inter-alia including, increase in loans covered under the Credit Guarantee Scheme for MSEs from 1 crore to 2 crore, launch of Amended Technology Upgradation Fund Scheme. Union Budget 2017-18 has reduced income tax rate to 25 per cent for MSME companies having turnover of up to Rs 50 crore. Government has also announced a special package in Textile and Apparel sector including a slew of labour-friendly measures to promote employment generation, economies of scale and boost exports.

(e) Estimates of Gross Saving and split as per institutional sectors at current prices for the years 2013-14, 2014-15 and 2015-16 are as follows:

Gross Savings and Institutional Sector wise (Rs. Crore)			
	2013-14	2014-15	2015-16
Gross Savings (total)	3608193	4119766	4418919
Gross Saving of which:			
Public non-financial corporations	126250	127481	134139
Private non-financial corporations	1077286	1285463	1510770
Public financial corporations	163184	169317	176889
Private financial corporations	129901	169873	110914
General government	-173729	-188052	-135324
Households including NPISH	2285301	2555683	2621531

(f) As per the information from Securities and Exchange Board of India (SEBI), while the exact data is not available, the data is available on the number of mutual fund folios and number of Demat Accounts with National Securities Depository Limited (NSDL) and Central Depository Services India Ltd (CDSL), which is given in the following table.

As on 31.03. 17	31.03. 16	31.03. 15	31.03. 14	31.03. 13	31.03. 12	31.03. 11	31.03. 10	31.03. 09	31.03. 08
No. of Folios (lakh)*	554.00	476.63	417.40	401.72	428.28	464.52	472.33	481.75	479.65	437.96
Demat Accounts at NSDL (lakh)#	155.8	145.7	137.1	130.5	126.8	120.4	115.4	105.8	96.8	93.7
Demat Accounts at CDSL (lakh)#	122.7	107.9	96.1	87.7	83.2	79.2	74.8	65.8	55.3	48.0

Note: * includes equity, debt, balanced and liquid funds; # not deduplicated
Source: SEBI

The change in the shares and debentures held by the household sector during the last 10 years is given in the following table:

Change in Financial Assets of Household Sector at current prices (Rs billion)									
Year 2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Shares & debentures 508.5	743.1	-23.3	448.4	17.3	165.2	170.3	425.0	532.7	917.6

Source: Handbook of Statistics on Indian Economy, Reserve Bank of India
Note: Shares and debentures include investment in shares and debentures of credit/non-credit societies and investment in mutual funds (Specified Undertaking of the UTI)
*****